



For Immediate Release

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NEWS

**Maryland Physicians Care Awarded
Maryland Health Insurance Plan (MHIP) Contract**

**Will Administer State of Maryland's High Risk Health Insurance Pool
effective July 1, 2003**

The state contract to provide health care coverage for Maryland residents who are unable to buy health insurance has been awarded to Maryland Physicians Care, a Maryland managed care organization.

Maryland Physicians Care has been awarded the third-party administrator contract by the Maryland Health Insurance Plan (MHIP) Board. MHIP is a comprehensive health insurance program created in 2002 by the Maryland General Assembly to replace the state of Maryland's substantial, available and affordable coverage (SAAC) program. The SAAC program currently provides health care coverage to approximately 9,500 Marylanders with significant health conditions who are unable to buy health insurance and is administered by private carriers.

Maryland Physicians Care is owned by four Maryland community health systems—Maryland General Health Systems, Washington County Health System, Western Maryland Health System and St. Agnes HealthCare. Maryland Physicians Care currently participates in HealthChoice, the state of Maryland's Medicaid managed care program, and serves 90,200 Medicaid and Maryland Children's Health Insurance Program enrollees throughout the state. Maryland Physicians Care is administered by Schaller Anderson of Maryland L.L.C., a wholly owned affiliate of Schaller Anderson, Incorporated, a 17-year old company that provides a wide-range of health care management and consulting services in six states.

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Approximately 9,500 Maryland residents currently covered through the SAAC program will be eligible for MHIP. These residents will be transitioned from the SAAC program to MHIP beginning June 1, 2003, with an effective coverage date of July 1, 2003.

Richard Popper, MHIP's executive director, said that the state selected Maryland Physicians Care because of their "experience in providing state-sponsored health care in Maryland." Popper cited the company's "flexibility and innovative operating systems, a proven track record of speedy implementations and strong emphasis on care management and continuity of care." He added, "Maryland Physicians Care's proposal offered the best value to the state."

Raymond Grahe, Maryland Physicians Care Board Chair, said Maryland Physicians Care was pleased to have the opportunity to partner with the state "to provide accessible and affordable insurance coverage to persons who do not have access in the private marketplace." He added, "For Maryland Physicians Care, administering the Maryland Health Insurance Plan is a natural extension of our mission. Our mission is to be a values-driven, community-focused managed care organization that improves the health status of our members through effective care management systems."

Schaller Anderson administers both self-funded and Medicaid health plans, including such plans as Scripps Health in Calif., Catholic Healthcare West's Arizona Medical Plan, Children's Hospital of Orange County Health Alliance in Calif. and Mercy Care Plan in Arizona.

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